

CHAPTER 207

CARRIER PERFORMANCE

A. GENERAL

The Carrier Performance Program (CPP) is designed to ensure that DoD surface shippers get the best available service from CONUS commercial cargo carriers. The CPP establishes specific elements of service that are key indicators of carrier performance. It also establishes minimum levels of satisfactory performance and prescribes procedures for denial of DoD cargo shipments to any carrier that fails to provide satisfactory service. This chapter outlines procedures for accomplishment of **CPP** objectives and assigns enforcement authority and responsibility for various segments of the CPP.

B. SCOPE

The CPP applies to all commercial carriers used to move DoD surface cargo. Carrier performance for Guaranteed Traffic (GT) shipments will be managed in accordance with applicable GT provisions .

C. RESPONSIBILITIES

1. Shipping activities will:

a. Implement the CPP as applicable to ensure local carrier performance is adequately monitored.

b. Report performance issues to MTMC for action as warranted.

2. Receiving activities will:

a. Monitor performance of carriers delivering to their activities.

b. Report any applicable service failures to shipping activities for their consideration.

c. Prepare Transportation Discrepancy Reports (SF 361) in accordance with procedures set forth in Chapter 211.

d. Where available use the receiver module within your automated shipper system, i.e., CONUS **Freight Management (CFM)**, Cargo Movement Operations Systems (CMOS), Transportation Coordinator Automated Command and Control Information System (**TC-ACCIS**), Transportation Automated Management System (TRAMS), Standard Depot System (SDS), Depot Supply System (**DSS**), etc., to manage all aspects of in-bound freight.

e. Communicate with shipping activities on carrier performance.

3. MTMC will:

a. Manage and monitor the effectiveness of the CPP.

b. Monitor carriers' overall performance and their ability to provide service to the DoD.

c. Consider service elements such as compliance with DoD and DOT regulations, rules publications, and **qualification** agreements.

d. Determine when a pattern of non-use actions and service failures documented by the TO warrants **further** non-use or disqualification.

4. Questions or concerns regarding any aspect of CPP should be forwarded to the attention of the appropriate area command or HQ MTMC. Addresses and phone numbers are as follows:

a. Headquarters, Military Traffic Management Command
Attn: MTOP-QEC
5611 Columbia Pike
Falls Church VA 22041-5050
Telephone: DSN 761-6292, **Com'l** (703) 681-6292

b. Military Traffic Management Command
Headquarters, Eastern Area
Attn: MTEOP-QEC
Bayome NJ 07002-5302
Telephone: DSN 247-5882, **Com'l** (201) 823-5882

c. Military Traffic Management Command
Headquarters, Western Area
Attn: MTWOP-QP
Oakland Army Base
Oakland CA 94626-5000
Telephone: DSN 859-2418, **Com'l** (510) 466-2418

D. BENEFITS AND USE OF THE CONUS FREIGHT MANAGEMENT (CFM) SYSTEM

1. CPP ~~within~~ "CONUS is supported by the GG4US Freight Management (ICFN4) System and several shipper systems. These systems are currently in use throughout DoD: CFM, CMOS, TC-ACCIS, TRAMS, DSS, SDS, Depot Warehousing and Supply (DWASP), Traffic Management System (TMS), etc. Some of these systems will continue to exist, while



others will be replaced by Transportation Coordinator Automated Information for Movement System (TC-AIMS) II and CFM.

2. CFM field module users can use the cargo receiving function to:

- a. Tally in and close out shipments as they are received.
- b. Generate SF 361, Transportation Discrepancy Reports (TDR), as necessary.
- c. Enter and track carrier performance failures at their activity.
- d. Manually enter shipments originated by **non-CFM** activities.

E. SERVICE ELEMENTS AND STANDARDS

1. Service elements and standards described below refer to specific operational factors for timely, safe, and cost-effective movement of DoD cargo. Letters of warning or **notification** of non-use may be issued by shipping activities for failure to meet these standards. It is important that shipping/receiving activities communicate to ensure **all** aspects of carrier performance are adequately monitored and appropriate action is taken.

2. No-show is a failure by a carrier to pick up a shipment on the agreed date and time. Two occurrences within a 45-day period are unsatisfactory.

3. Improper equipment is a failure by a carrier to provide equipment as requested. Inadequate equipment is carrier equipment that is not safe, i.e., holes in equipment, equipment that cannot be properly secured to prevent pilferage, etc. Two occurrences within a 45-day period are unsatisfactory.

4. A combination of one no-show and one failure to provide requested equipment within a 45-day period is unsatisfactory.

5. Shipment refusal is failure of a carrier to accept or decline a shipment within 1 hour of offer. Shipments must **be** offered at least 24 hours **in** advance or 48 **hours** when TPS is required. Three refusals within a 30-day period are unsatisfactory. A TO can specify a shorter response time for high priority shipments, but not charge a carrier with a **refusal** if the carrier declines the shipment. If a carrier accepts the shipment, pickup is expected on the **specified** date and time.

6. Excessive transit time is when the carrier fails to deliver shipments in accordance with established transit times shown in figures 202-2 and 202-3. Two late deliveries in a 45-day period are unsatisfactory. Each **GBL** is considered a shipment regardless of the number of shipments moving under the GBL or the number of delivery points. Receiving activities must report excessive transit time to shipping activities so any necessary action can be taken against the carrier.

7. Any documented incident involving the use of intemperate, vulgar, or abusive language; drug or alcohol abuse; or engagement in offensive conduct may result in a carrier being placed in immediate non-use status or a recommendation to **MTMC** for disqualification.

F. CARRIER NOTIFICATION

- 1. Letters of warning may proceed a notice of non-use. (See sample at figure 207- 1.)
- 2. Non-use notification letters will be forwarded by certified mail to carrier's corporate headquarters and will include the reason for the non-use action with sufficient supporting documentation to allow carrier to address TO concerns. (See sample at figure 207-2.)
- 3. Non-use notification letters will advise carriers of the period of non-use, the reinstatement date, and of appeal procedures.

G. REPORTING SERVICE FAILURES

- 1. Copies of all non-use notification letters will be immediately forwarded to the servicing **MTMC** area command.
- 2. TOS must report any service failures or issues needing additional review to the servicing **MTMC** area command.

H. NON-USE

1. A TO may place a carrier in non-use for up to 90 days for shipments originating from their activity followed by a 90-day probationary period. If there are any additional service failures during the probationary period, the activity may again place the carrier in non-use for up to 90 days. A TO may also place a carrier in non-use for up to 6 months if the carrier has been placed in non-use at that activity twice within a 12 month period. HQ **MTMC** and **MTMC** area commands have broader authority to place a carrier in non-use for longer periods of time for multiple origin points.

2. TOS should keep complete and accurate records on carrier service and exercise discretion before placing carriers in a non-use status. Consider corrective actions taken to prevent future service failures, carrier's overall record, and need for special services which may not be readily available.

I. CARRIER APPEAL

- 1. Carrier may appeal a non-use action in writing to the TO.
- 2. If the TO denies the appeal, the carrier must be advised of further appeal rights to the servicing area command.

J. CARRIER REINSTATEMENT

Carriers will be reinstated on the day following the last day of the non-use period unless reinstated sooner on appeal. TOS must **immediately** notify the area command when a carrier is reinstated prior to the end of the designated non-use period.

- - K. CARRIER PERFORMANCE FILE

1. Carrier service failures must be documented to fully support a non-use or disqualification action. Carrier performance files for each carrier will be documented either manually or by automated means. Carrier performance files should contain as a minimum:

- a. A summary of each service failure with supporting documentation.
- b. Copies of any letters of warning or notifications of non-use with supporting documentation.
- c. Correspondence from carrier concerning service failures and remedial actions taken.
- d. Reinstatement letters.
- e. Copies of TDRs (SF 361) issued in accordance with Chapter 211.
- f. Any other correspondence pertaining to the carrier's performance.

L. CONTAINER AGREEMENT PERFORMANCE

Worldwide performance of contractor and government under the MSC Container Agreement and Rate Guide is monitored and enforced using procedures and standards in the surveillance plan issued by **MTMC**.

SAMPLE LETTER OF WARNING

(Letterhead -- Activity and Address)
(Date)

(*Sender's Office Symbol*)

Mr. John J. Jones
President, ABC Company, Incorporated
P.O. Box 1056
Some City VA 12345

Dear Mr. Jones

This letter is to advise you of the service failure(s) described below and express our concern with the service your company has provided this installation.

You are reminded that we may place carriers in non-use status from transporting Department of Defense cargo from this installation for the service failures:

- a. Furnishing inadequate or improper equipment.
- b. No shows.
- c. Shipment refusals.
- d. Excessive transit time.

ABC Company is being considered for non-use action for the following reason(s): (*Describe service failure in detail*).

You are requested to provide a written explanation for the service failure(s) described above and correction actions you have taken to prevent a recurrence of similar problems within 15 days of the date of this letter. Additional service failure(s) or failure to satisfactorily respond to **this** letter when **combined** with the incident(s) described above, may result in non-use action against you company.

Please contact (*name and phone number*) if you should have any questions regarding this action.

Sincerely

(*TO's Signature*)

TOS typed name, **rank/grade**, & Service
Title/Position
Organization

cc:
(*Appropriate MTMC Area Command*)

Figure 207-1. Sample Letter of Warning.

SAMPLE NOTICE OF NON-USE STATUS

(Letterhead - Activity and Address)
(Date)

(Sender's Office Symbol)

Mr. John J. Jones
President, ABC Company, Incorporated
P.O. Box 1056
Some City VA 12345

Dear Mr. Jones

You are hereby advised that AB C Company has been placed in a non-use status for the movement of Department of Defense cargo from (*enter origin*) for a period of (*number of days or months*) beginning (*date*) and ending (*date*).

Your non-use status is the result of your failure to (*define service failure, in detail*).

The enclosed **letter** of warning, dated (*date of attachment*) forewarned of the possibility of this action.

You are advised of your right to appeal this action in writing to the undersigned. A timely determination will be made upon receipt of your appeal.

Please contact (*name and phone number*) if you should have any questions regarding this action.

Sincerely

(TO's Signature)

TO's typed name, rank/grade, & Service
Title/Position
Organization

Attachment:

cc:
(Appropriate MTMCArea Communal)

Figure 207-2. Sample Notice of Non-Use Status